

**CENTRAL INTELLIGENCE AGENCY**  
**OFFICE OF CENTRAL REFERENCE**

22 July 1963

**MEMORANDUM FOR:** Deputy Director (Intelligence)

**SUBJECT:** Project [REDACTED] - System Task

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**REFERENCE:** Memorandum from Chief, ADPS, same subject,  
dated 12 July 1963, transmitting [REDACTED] Phase I  
Outline Report (TAB A)

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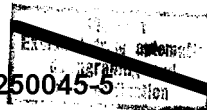
1. Referenced memorandum seeks your approval (at page 4) for follow-on action which would have the most far-reaching consequences for the organizational structure and operations of the entire Intelligence Directorate.

2. Let me state at the outset that we wholeheartedly support efforts designed to improve the information processing capabilities of the DDI, by whatever means. We supported, indeed are largely responsible for generating, the original [REDACTED] concept (and the broader and related SCIPS effort). I therefore support the general objectives outlined in the ADPS memorandum. I cannot, however, at this point, on the basis of a simple outline virtually lacking in documentation or argument, recommend its acceptance as a course of action.

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3. The ADP Staff proposes that we proceed with a total system design based on assumptions or generalized statements supported neither by evidence in the memorandum nor in the outline report. The facts on which these assumptions and general statements are based need to be analyzed, and evaluated by operating officials, particularly those most affected. These facts must therefore be clearly presented and related to well-defined problem areas before they can be considered as valid support for proposed solutions. This has not been done.

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4. The inference from para. 3 of the memorandum is that factual background data was presented on 18 June; in fact, the presentation was essentially what appears in the outline report, the statement then being that insufficient time had elapsed since data gathering ceased for evaluation of the data collected.

5. Basic assumptions in the report which need clarification and support in view of their implications, include those suggesting that: (a) complete centralization of OCR, DD/I, and ultimately, USIB processing systems is reasonable; (b) reorganization by geographic areas is desirable and worth the cost; (c) specialized activities (e.g., OCR Registers and, by extension, other DDI components) are undesirable organizationally and substantively; (d) single-point service and one-time, all-sources, single-format indexing are feasible; (e) development of a central system necessarily means OCR atrophy and [REDACTED] growth; (f) merged input and compatible output will provide more selective response; (g) such major investment as proposed is reasonable, given the present state-of-the-art.

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6. The positing of an either-or alternative as an analyst-file-versus-central-system issue is misleading. Analyst files have always existed, do and will continue to exist. On given problems they will be used exclusively, or not at all (search being made in OCR), or in some combination with the central file. This interplay is desirable and can be exploited more effectively than it is today with improved communication each way, including analyst feedback (e.g., the [REDACTED] exercise and the DDI Special Reports Index). To the degree that this communication can be improved by new hardware, new systems techniques, new data sources or formats, such should be introduced. Awaiting the [REDACTED] Phase I study, we deliberately avoided introduction of any major changes in OCR procedures that might prove immediately beneficial as first aid but possibly counterproductive in the long run. What we expected (and still hope to realize) is a positive assist from the considerable body of fact accumulated.

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7. Each of the points made in para. 4 of the memorandum and many statements in TAB A should be discussed and substantiated. The presumption in para. 5 concerning the Agency's obligation "to systematically organize and maintain the intelligence information which it painstakingly collects", while obviously true, is not the specific proposition being submitted to you for approval. The question here is not "whether", but "by what means". Concerning my

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alleged agreement in para. 5 "that option b is the proper course to follow," the correct statement is that I approved signing the contract with IBM to provide carryover into the new fiscal year; I did not conclude that option b should be Phase II, and now reject it, as well as the other alternatives, until there has been a detailed evaluation of Phase I findings to provide the only meaningful basis for a management decision on the next phase.

8. This report has reinforced my view that [REDACTED]s, and was originally, 25X1A2g a developmental project, not a permanent operating component and that, whatever the original reason for placing the project outside OCR, the project and its considerable assets must be returned to DIH and should be placed in OCR where they belong.

9. In short, the [REDACTED] outline asks that you make an important decision 25X1A2g involving the expenditure of very large sums of money on faith. Faith in conclusions tentatively and hurriedly drawn by fact finders who seem to have been preoccupied with the hardware aspects of information processing. What is offered -- in lieu of an established and experienced system which they found in some respects wanting -- is a high cost substitute approach, of which only the barest outline is now visible, and which they state is uncertain of success even to accomplish the level of performance of the present system.

#### CONCLUSIONS

10. We must of course make progress in developing improved document/information retrieval systems. This is one of OCR's primary objectives and one in which it has provided community leadership. It may be that the course of action recommended by ADPs is the one to take. Before proceeding further, however, we must be better informed

- a. on its factual background,
- b. the validity of its many assumptions, and
- c. the prospects for its successful implementation at an acceptable cost - both in dollars and in the disruptive impact upon operations.

The effects of these proposals, to whatever degree they may be implemented, intimately involve the functioning of OCR and its long-standing service to the Community. It is therefore imperative that the transformation be wrought by

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the management also responsible for providing uninterrupted service; namely, AD/CR. This can be achieved only if OCR manages and directs the further development of the study and the progressive application of its conclusions to OCR's operations. Moreover, OCR is a going concern with a large and experienced staff fully capable of undertaking the progressive transformation of its own procedures as the state-of-the-art in document handling may permit; there is no compelling necessity that it be transmuted into a new organization as yet dimly defined as to organizational responsibility or operational capability.

#### RECOMMENDATIONS

11. I recommend, therefore:

- a. That you not approve the ADPS memorandum;
- b. That Phase I findings be evaluated in detail prior to deciding what the next phase should be;
- c. That a representative DD/I Task Force at the management level conduct this evaluation;
- d. That the management of Project [REDACTED] henceforth be assigned to OCR.

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PAUL A. BOREL  
Assistant Director  
Central Reference

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